



**TOWN OF STONINGTON
SELECTMAN'S OFFICE
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FIRST SELECTMAN**

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Testimony in support of SB 1137

March 9, 2023

Dear Committee Members,

Thank you for this opportunity to share views in support of SB 1137, and for your ongoing public service to our State.

Short-term rentals (STRs) are not a new issue and it is not a simple one. In addition to the diverse views on the topic, in CT we have further complexity due to the fact municipalities do not have clear authority to regulate STRs in their own communities. This became highly apparent after we spent months engaging our community through four Community Conversations, in-person meetings, on this topic, as well as correspondence with stakeholders over email, calls and additional in-person meetings.

We heard concerns about the growth of STRs in the community. We knew, nationally the STR industry has grown by about 800% since 2011 and that this number is likely higher in our town of Stonington. We heard concerns that STRs are contributing the crisis we are seeing around the State in regards to housing affordability. We also heard how STRs have positively impacted our community, supported local businesses and allowed residents to keep their homes as costs seem to be ever increasing.

While as a community we were prepared to engage in this challenging topic, working to find what the right balance was for our community, we found we were not able to pursue that original goal. We received various points of feedback regarding legal opinions that municipalities in CT do not have statutory authority to regulate renting of residential property based on the length of stay of the renters. It was noted that municipalities in Connecticut have only those powers expressly delegated by the General Assembly and, in the legal opinions shared with us, there was no current law allowing for municipalities to regulate STRs.

Not every community will need or want to regulate this, but each community deserves the right to give their residents a choice in how this growing issue is dealt with. I hope you all will consider further discussions on how you can go about ensuring municipalities have that ability.

Related to this, in our research into how other State regulate STRs, we found a number of communities are able to collect their own local tax on these investment properties. It was interesting to see how some communities chose to use the funds, such as utilizing them to address issues like affordable housing, road maintenance and sewer infrastructure. It seems worth exploring this option for CT Towns and Cities.

Thank you for your time and consideration.

Regards,
Danielle Chesebrough